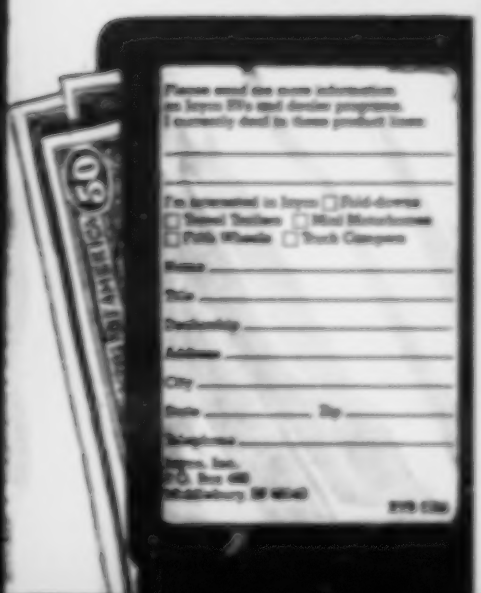
RV BUSINESS

JANUARY 1985 $2.00

New Products In '85: Up, Up And Away!

SOMETHIN
EVERYONE



A T.L. ENTERPRISES PUBLICATION JANUARY 1985 VOL. 35 NO. 1

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ON THE COVER: New products are a necessity. The ones here focus on economy. Credit to the car but she's become reliable. Properly utilized, she's can make profits before those are in. And products that pass test some product all the created we gave 34. Paper sculpture: Ken Schroeder. Photo: Ed Bock.

Perspective

An analysis of RVB's monthly survey of its Dealer Advisory Board Members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	OCT '84	OCT '83	% CHANGE	1984	1983	% CHANGE	OCT '84	OCT '83	% CHANGE	1984	1983	% CHANGE
MOTORHOMES	80	90	–10%	1,021	1,024	– 1%	70	67	+ 4%	786	713	+10%
TRAVEL TRAILERS	68	65	+ 5%	893	995	–10%	71	67	+ 6%	801	855	– 6%
TRUCK CAMPERS	13	8	+63%	174	153	+14%	17	20	– 15%	197	183	+ 8%
CAMPING TRAILERS	48	83	–42%	1,592	1,454	+ 9%	15	11	+ 36%	295	286	+ 3%
FIFTH-WHEELS	19	23	–17%	337	275	+23%	13	5	+160%	95	94	+ 1%

	FOR MONTH			YEAR-TO-DATE		
	OCT '84	OCT '83	% CHANGE	1984	1983	% CHANGE
SALES VOLUME	$6,048,498	$6,310,347	– 4%	$80,349,200	$76,640,912	+ 5%
TOTAL UNIT SALES	414	439	– 6%	6,128	6,032	+ 2%
NEW UNIT SALES	228	269	–15%	3,954	3,901	+ 1%
USED UNIT SALES	186	170	+ 9%	2,174	2,131	+ 2%

According to RVB's Dealer Advisory Board (DAB), October 1984 was a disappointing month for some dealers. Sales for the group were down from the previous year in both dollar volume and new-unit sales. This month's report marks the first time since the upswing that followed the second gasoline crisis when the monthly sales volume has been lower than the corresponding month of the previous year.

Those facts, however, are somewhat misleading. Although the group figures were down, sales for most DAB members were up. Actually, only 7 of the 22 members of the board suffered drops from the previous year; 15 were up.

Year-to-date, the picture is not bad. In terms of unit sales, new units are slightly ahead of last year. Used units are still moving well and retain a slight edge above 1983 figures.

Profits weakened in October. There were very few excellents on the ratings chart; more members said their profits were only fair or poor.

MOTORHOMES

As with dollar volume, a drop in unit motorhome sales was due to problems a few of the larger DAB dealers had. Our report shows that there was an 11 percent drop in new-unit sales. Although that is true, several DAB motorhome dealers were well ahead of last year. There is no collapse of the motorhome market; a period of readjustment for some dealers distorts our figures here.

Reports do show, however, that in some areas, motorhome sales are very weak. Local economic conditions account in part for some of the problems, and an overabundance of dealers has created some in others.

The market for used motorhomes is still good, but a few dealers are reporting excess inventory. Profits on both new and used were rated from fair to good.

TRAVEL TRAILERS

For most DAB dealers, this RV type has been a sluggish seller all year. Sales were up by one unit over October '83, but year-to-date, they are running 10 percent behind. Nineteen of the DAB dealers stock trailers. Seven are ahead of 1983 unit sales figures (three by only one unit); 12 are down.

Although the overall picture reflects some problems, a few individual trailer dealers are finishing a banner year. In fact, the profit ratings for this category were the best for any group in the October report.

TRUCK CAMPERS

This RV type shows the best percentage increase for the month in any category. However, that figure is based on very few unit sales, so it loses some of its significance. Campers are selling, possibly better than they have for several years. Most of the business is being done by the camper specialist.

Profits were rated good to excellent. Campers have the next-to-the-highest increase (fifth-wheels are first) in new-unit sales for the year-to-date.

CAMPING TRAILERS

After a terrific start, the fold-downs took a bath in October. The 42 percent drop is largely attributable to unusually poor sales by two DAB camping trailer specialists. Most dealers remained at about the same level as the previous year. Profit ratings ranged from fair to good; one dealer marked them poor.

FIFTH-WHEELS

The fiver specialists did reasonably well for the month, but many dealers who normally make only one or two sales a month dropped to zero. There is no particular reason for the drop, but it makes sales look bad.

Of the five RV types, fifth-wheels have the best percentage increase for the year-to-date in new units. Two specialists account for the majority of the sales. Profits for the month were rated good. Δ

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 23 dealers representing a cross-section of the U.S. Dealer body. This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.

WDA QUARTERLY SALES FIGURES

RV Business publishes a quarterly report of sales statistics from the Warehouse Distributors Association. The chart shown here is based upon a representative sampling of WDA members, as compiled in the third quarter of 1984. While these statistics are not intended to be fully indicative of the sales volume among distributors in the RV and MH industries, they are presented here as an insight into the supplier/distributor industry.

SALES VOLUME

	THIRD-QUARTER SALES VOLUME	
	PERCENT CHANGE 1983 to 1984	RANGE OF CHANGE
REGION 1	+2.9%	+51.5% to −24.3%
REGION 2	+19.3%	+44.5% to −13.9%
REGION 3	+ 4.7%	+40.3% to −15.2%
REGION 4	−29.1%	+22.9% to −139.9%
REGION 5	+15.4%	+36.6% to −22.9%
REGION 6	+ 3.2%	+41.4% to −19.0%

Region 1: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia and Washington, D.C.; **Region 2:** Alabama, Florida, Georgia, Mississippi, North and South Carolina, and Tennessee; **Region 3:** Illinois, Indiana, Iowa, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North and South Dakota, Ohio and Wisconsin; **Region 4:** Arkansas, Colorado, Kansas, Louisiana, Oklahoma, New Mexico and Texas; **Region 5:** Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington and Wyoming; **Region 6:** Canada.

RVIA, OCTOBER

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during October 1984 was 29,700 units, down 1% from October 1983.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco Incorporated, Middlebury, Indiana.

RV shipments were as follows in Oct. 1984		Oct. 1984	Percent Change	Cumulative 1984	Cumulative 1983	Percent Change
TRAVEL TRAILERS	5,100	6,100	−16.4%	66,200	64,100	+ 3.3%
FIFTH-WHEELS	1,900	1,700	+11.8%	17,300	15,500	+11.6%
TRUCK CAMPERS	500	400	+25.0%	7,100	6,300	+12.7%
MULTI-USE VEHICLES	13,300	12,700	+ 4.7%	147,500	129,900	+13.5%
TYPE A: MOTOR-HOMES	3,200	3,200	0	35,300	27,900	+26.5%
TYPE B: VAN CAMPERS	400	500	−20.0%	5,900	4,600	+28.3%
TYPE C: MINI MOTOR-HOMES	2,100	2,700	−22.2%	29,300	26,300	+11.4%
FOLDING CAMPING TRAILERS	3,200	2,700	+18.5%	35,500	32,600	+ 8.9%
TOTALS	29,700	30,000	− 1.0%	344,100	307,200	+12.0%